

Budgeting Your Challenge Cost Share Project

Fiscal Year 2007
National Trails System-Salt Lake City
National Park Service

The required Budget Summary Form is provided at the end of this attachment. No form is provided for your Budget Narrative, which you will prepare to explain the figures that you enter on the summary form. Please call or email your Challenge Cost Share Program (CCSP) Coordinator to discuss your budgeting ideas as you begin to prepare these materials. Contact information is provided on page 2.

Some basic information...

Funding Levels: \$30,000 is the maximum CCSP award per project.

Matching Requirement: CCSP will provide up to half of the total allowable project costs. Each project must be able to show at least one dollar of *non-federal* cash and/or in-kind matching for each CCSP support dollar awarded. Many CCSP projects provide matching far above the required 50% non-federal match.

Cash matching refers to direct project expenses that you or a non-federal partner will pay as your matching contribution to the project – your cash expenditures for costs related to this specific project, such as project-related staff salaries, consultants’ fees, equipment rentals, and travel costs.

In-kind matching means materials and services, secretarial services, space and utilities, equipment, and technical assistance that will be provided by your organization or donated by a third *non-federal* party specifically for your CCSP project.

Other Federal Contributions: The National Park Service and other federally funded organizations participating in your project sometimes contribute personnel, equipment, and other government resources to help CCSP projects. These contributions may *not* be included among your cash-matching or in-kind matching totals.

What CCSP Can and Cannot Fund

Challenge Cost Share Program support can be used to cover your project-related personnel costs, travel expenses, equipment rental, and to pay for (with some restrictions) project-related telephone service, supplies, photocopying, consultants’ and contractors’ fees, speakers’ honoraria, and small construction and stabilization projects.

Challenge Cost Share Program support cannot be used to construct or reconstruct entire buildings, for other kinds of large “bricks and mortar” construction projects, or for political activities, international travel, scholarships or tuition, organizational deficits, fund-raising events, or receptions, liquor, or entertainment.

Spending and Obligating CCSP Dollars

If your project is approved, CCSP funds may be used only for expenses incurred *within the official grant period*. Likewise, money and time you spend on the project before the grant period begins may not be counted toward your match. The grant period begins when a cooperative agreement is signed by both you and the National Park Service – *not* when you are first notified that your project has been approved.

Do not spend or contractually obligate your CCSP money until your final agreement is approved and signed!

When preparing your budget, remember that you will not receive CCSP money *before* you make your approved purchases, but you will be reimbursed afterward. Plan to pay all your expenses up front, track your expenditures accurately, and *send us a monthly request for reimbursement* along with receipts for your project-related expenses. The reimbursement process can take a month or more.

Meeting Your Match

You will also need to keep an accurate log of all personnel and volunteer time spent on the project, as well as your cash and other in-kind matching contributions. (An example time log is provided in Attachment D.) That information is submitted to your CCSP coordinator along with your monthly request for reimbursement. It shows that you are matching your CCSP award as required by program rules.

Closing Out

At the end of your project, you will need to fill out a project completion form (Attachment C) that summarizes your accomplishments and expenditures. For auditing purposes, keep all of your records on file for three years following submission of your completion report.

Your Challenge Cost Share Program Coordinator is:

**Lee Kreutzer
National Park Service
324 South State St., Suite 200, Box 30
Salt Lake City, UT 84111**

Phone: (801) 741-1012 ext 118

Email: lee_kreutzer@nps.gov

Guidance for Your Budget Narrative

Your budget narrative is meant to explain the numbers you enter on your Budget Summary Form. It should:

- 1) Name or describe each budgeted item.
- 2) Show calculations for each budgeted item.
- 3) Indicate whether each item is to be covered by federal CCSP funds (F), non-federal in-kind or cash matching share (C), or other non-CCSP federal contributions (N). **Note:** "N" signifies federally funded partners contributing personnel or other resources to the project. These federal contributions cannot be counted as matching share.

Your CCSP project coordinator will check your budget narrative to see that your projected costs are reasonable, necessary, and allowable, and to identify any unallowable costs, such as regular park employee salaries or wages. When you have completed your budget narrative, you will enter your calculations on the Budget Summary Form provided at the end of this attachment.

If your project is funded, the Budget Summary Form, together with the project summary and the project objectives (from your proposal), will become part of the approved funding agreement. Budget carefully!

A. PERSONNEL: Certain personnel costs related to your project may be listed here.

1) Paid personnel. **IF** you are counting the costs of paid personnel working directly on the project as **part of your match**, then list those personnel by job title on your budget narrative sheet. For each, show the rate of pay and the estimated amount of project time to be charged. Calculate the projected cost of each position and indicate that it is part of your match (C). Add that sum to the value of any volunteer work (discussed below) that will be part of your match, and enter the total in **Column 2, Row a**.

IF the **National Park Service** is hiring personnel specifically to work on your project, list the job titles, calculate the cost, indicate that the cost will be covered by CCSP funding (F), and enter the total in **Column 1, Row a**. (Otherwise, leave that space blank.)

IF a different federal agency is providing **agency staff** for your project, use the cost figure provided by the agency, label it (N), and enter the total in **Column 4, Row a**.

IF you wish to use CCSP funding to pay a consultant for project work, list those expenses under item F, Contracts & Consulting. "Consultants" are outside experts, not on your staff, who charge a fee for their services.

For other personnel arrangements, confer with your CCSP coordinator.

2) Volunteer personnel. List each of your planned volunteer positions and calculate the value of that labor. You can value all volunteer labor at \$16.50/hr, or you can use the rate at which the volunteer normally is paid for the type of work he or she is performing. For instance, if a professional carpenter is doing volunteer carpentry work for your project, that labor can be valued at the carpenter's professional rate of pay. Indicate that the value of the volunteer labor is part of your partner match (C), add that sum to any paid personnel costs that will be part of your match, and enter the total in **Column 2, Row a**.

Examples:

NPS Project Director, (N) \$30,000/year x 6 mo x 50% of time = \$7,500

Secretary, (F), 9 months x \$2,083/mo. x 50% of time = \$9,373

Volunteers laborers (C) 6 @ 120 hours x \$16.50/hr = \$11,880

- B. TRAVEL:** Separately list projected local travel and out-of-town travel (travel requiring meals and lodging) for staff and volunteers, *not consultants*. For driving trips, calculate mileage costs at 40 cents/mile. For camping trips, calculate meal allowances at \$10/day. Local trips may not include reimbursement for meals.

For air travel, list the projected cost of coach-class tickets only. First class and business class fares are not reimbursable under CCSP and cannot be used for matching purposes. Airport parking, shuttle and taxi fares, and car rentals may be included. Contact your CCSP Coordinator for federal allowable lodging and meal rates in the places your personnel will be traveling. CCSP cannot cover travel costs in excess of the federal rates *unless* your project is sponsored by a university or local government with a written travel reimbursement policy that requires reimbursement at higher rates.

List 1) the job title of each traveler, the purpose of each trip, and how many people are traveling; 2) number of days each person will be traveling; 3) total allowable costs of meals and lodging; and 4) transportation costs such as airfare or mileage. Indicate F, C, or N, for each, as appropriate.

Examples:

Out-of-Area Travel:

Project Director to 2 day NPS training program in Atlanta, (N), subsistence (meals and lodging) @ \$125/day x 2 days = \$250; round trip air fare = \$375; taxi = \$15; total = \$640

Local Travel:

Volunteer carpenter (C), 60 mi/week x 52 weeks @ \$0.40/mile = \$1,248

- C. EQUIPMENT:** *Equipment* is non-expendable property having a useful life of more than 2 years, and an acquisition cost of more than \$500 per unit. *By law, any equipment costing \$1,000 or more becomes the property of the National Park Service at the conclusion of the project.* List equipment to be purchased and equipment to be rented or leased. If equipment is to be purchased, show **on an attached page** that the purchase will be less expensive than rental. For computer purchase, also explain why the computer is needed **and** why existing computers available to the applicant cannot be used for project purposes. Indicate F, C, or N as appropriate.

Examples:

Equipment rental for editing (C) estimated @ \$1,400

Lease computer for data base (N) @ \$78/mo x 10 months = \$780

- D. SUPPLIES:** *Supplies* are consumable items with a useful life of less than 2 years, and expendable equipment costing less than \$500. List the item, quantity needed, and the unit or bulk price. Indicate F, C, or N as appropriate.

Examples:

General office supplies (F) @ \$75/year x 6 project staff = \$450

Computer diskettes (C), \$22/box x 10 boxes = \$220

- E. CONTRACTUAL FEES:** Enter fees for consultants, contract laborers, and other experts. Their travel costs should be included in their fees, not itemized here. "Consultants" are outside experts, not on your staff, who charge a fee for their services.

CAUTION! Review your contracting proposal with your CCSP coordinator before signing any written agreement. CCSP rules often require that consultants' services be contracted through a competitive bidding process. We can help you determine how to proceed.

In your budget narrative, provide:

- 1) the name or type of consultant/contractor;
- 2) purpose of the work;
- 3) the hourly or daily rate or project fee, as appropriate;
- 4) projected time on the project (if hourly or daily rate); and
- 5) total consultation fee or honorarium (not including travel costs).

Calculate the cost of each consultant, contractor, or expert, and indicate F, C, or N, as appropriate.

Examples:

Payroll Service (C) \$300/month x 12 months = \$3,600 (existing contract; selected by competitive proposal)
 Audit costs (C), to be hired; CCSP portion estimated @ \$1,500 (existing contract); selected by competitive procedures
 Secretarial Service (Word Processing) (N) \$12/hour x 20 hours/wk x 45 weeks = \$10,800;
 Bureau of Land Management contribution

- F. CONSTRUCTION:** For CCSP purposes, *construction* means building, altering, or repairing (including painting) a building or structure. Common CCSP construction projects include erecting small structures such as kiosks, storage sheds, and picnic facilities, and repairing, restoring, or rehabilitating historic buildings and structures (for example, repainting and re-roofing, foundation stabilization, and replacing broken windows).

Again, federal law regulates construction work and construction-related contracting for government-supported projects costing over \$2,000. If you are proposing a construction project, consult with your CCSP coordinator to help ensure that your project is in legal compliance.

In your budget narrative, briefly describe your construction project. If appropriate, show the costs of building materials, labor, and equipment in calculating construction costs. Indicate F, C, or N, as appropriate.

- G. OTHER:** List other necessary direct cost items that do not fit logically elsewhere. This category includes postage, printing, computer use charges, equipment rentals, telephone, postage, printing or photocopying, space rental costs, etc. "Miscellaneous," "overhead" and "contingency" are **not** acceptable budget items.

For printing/photocopying, specify the purpose of each cost. Contributed space costs should be based on square footage and number of staff assigned to the project. Rent paid must be comparable to prevailing local area rents. If the applicant or a non-federal contributor owns the facility used by the project, occupancy cost is limited to depreciation or a use allowance based on the purchase price of the building.

Examples:

Consulting Archeologist (C) @ \$150/day x 8 days = \$1,200, to be hired competitively
 Telephone charges (C) @ \$22/month x 12 months x 6 lines = \$1,584
 Photocopy (C), 500 copies of 30 page workbook @ \$.06/copy = \$3,000
 Duplication of survey data forms, (C) 300 forms @ \$.20/copy = \$60

- H. INDIRECT CHARGES:** Indirect charges may be reimbursed with or used as a match for CCSP funds *only if your organization has a pre-existing indirect cost rate agreement in place with a federal agency*. A copy of that agreement must be included with your proposal packet if you intend to itemize indirect costs in your budget. If you do not have such an agreement, skip this section.

Indirect costs are routine costs that you would have even in the absence of a CCSP project. Examples include the salaries of executive officers, the cost of operating and maintaining facilities, local telephone service, Internet access, and accounting services. These costs may be covered by CCSP funding (F) or used as part of your partner match (C). Show calculations of indirect charges on your budget narrative sheet and enter them as appropriate on your Budget Summary Form,

The Budget Summary Form and an example of a completed form are provided at the end of this attachment.

TIP! After preparing your budget narrative and Budget Summary Form, you and your partners – including your CCSP coordinator– should review it once more before you submit your final proposal packet to the National Park Service. Compare your budgeted items to the major activities and tasks you have outlined in your proposal/project description. Check to see that:

- ✓ All tasks and activities are accounted for in your budget, and their associated costs are identified as CCSP support, in-kind or cash matching contributions, or other federal contributions.
- ✓ Personnel and other costs clearly and directly relate to the described activities and tasks.
- ✓ All budget items are properly identified as F (federal CCSP funds), C (cost-matching by partner), or N (non-CCSP federal contribution).
- ✓ All costs are clearly explained and accurately calculated in your budget narrative, so that the reviewers of your proposal can evaluate your proposal and projected costs and determine whether your proposed expenditures are allowable under Challenge Cost Share Program rules.

Example Budget Summary Form

Budget Categories	(1) CCSP Share (F)	(2) Partners Share (C)	(3) TOTAL CCSP (F) + (C)	(4) Federal Partners (N)
a. Personnel	\$ <u>9,373</u>	\$ <u>11,880</u>	\$ <u>21,253</u>	\$ <u>7,500</u>
b. Travel	\$ <u>1,888</u>	\$	\$ <u>1,888</u>	\$ <u>640</u>
c. Equipment	\$	\$ <u>1,400</u>	\$ <u>1,400</u>	\$ <u>780</u>
d. Supplies	\$ <u>450</u>	\$ <u>220</u>	\$ <u>670</u>	\$
e. Contractual	\$	\$ <u>5,100</u>	\$ <u>5,100</u>	\$ <u>10,800</u>
f. Construction	\$	\$	\$	\$
g. Other	\$	\$ <u>4,644</u>	\$ <u>4,644</u>	\$
h. Total Direct Charges (sum of a-h)	\$ <u>11,711</u>	\$ <u>23,244</u>	\$ <u>34,955</u>	\$ <u>19,720</u>
i. Indirect Charges	\$	\$	\$	\$
j. TOTALS (sum of h and i)	\$ <u>11,711</u>	\$ <u>23,244</u>	\$ <u>34,955</u>	\$ <u>19,720</u>